



BOUNDARY LINES

Fourth Quarter 2021 Volume 53, No. 2

Chairman's Corner



While the real estate market has remained strong throughout most of Louisiana, 2021 has been a challenging year for all of us. Our thoughts and prayers are with those of you in Southwest Louisiana and the River Parishes who have endured the brunt of hurricanes and floods.

Through weather-mandated office closures and pandemic-mandated telecommuting and safety protocols, your Commission continues to strive to provide the best stakeholder service to you and the public we serve.

Our primary 2021 focus has been on enhancing our use of technology to better serve our stakeholders.

- The multiyear project for design and implementation of a new software system is now complete!
- The Commission has moved to a new exam testing vendor which now provides a totally automated interface to streamline the process.
- A new automated transfer of sponsorship form has been launched.
- All other transaction forms, including the application process, will continue moving toward a 100% paperless capability.
- A "MyLREC Portal" is now available on our lrec.gov website which provides a one-click access to everything related to your license, including status of your CE.

As you renew online, you will see that the Commission has held the line with no increases in fees or E & O insurance for the coming year! Avoid the rush and complete your CE and license renewal now!

As always, if you have any ideas or suggestions on how we might better serve our stakeholders please let us know by contacting our staff or your local Real Estate Commissioner. We'd like to hear from you!

Sincerely,

Lacy Baaheth, Chairman

Licensing

Renew Your License Now!

As a licensee, remembering to renew your license is of utmost importance. Your license is what allows you to buy, sell, and manage real estate on behalf of others in Louisiana. Having your license lapse officially removes those rights from you immediately. There is no grace period for renewal. **After midnight on December 31 your license expires.**



At that point, licensees are prohibited from practicing real estate for a commission or fee. Licensees still have until March 31 to renew their license, though delinquent fees do apply.

When a licensee continues to practice real estate after failing to renew their license on time, they are violating Louisiana License Law. If an agent's sponsoring broker pays an unlicensed person commissions without verification of their license status they are violating Louisiana License Law. These violations of the law leave agents and brokers subject to censure, suspension/revocation, fines, or requirement of additional education.

Don't risk your license, renew on time!

To renew your license(s) online, check your past payments, education record, or print out a paper renewal, log in to your [MyLREC Portal](#).

Digital Transfer and Termination Process Now Available

The LREC has recently digitized the termination and transfer of supervision process. Licensees and supervising brokers can now avoid paper processing delays when terminating/transferring current supervision relationships from within their [MyLREC Portal](#).

For more information on how to complete these processes, please review the [Online Termination and Transfer of Broker Supervision User Guide](#).

The LREC will continue to digitize license maintenance forms and processes to make managing your license as easy and efficient as possible. Check your MyLREC Portal often for updates!

Sponsoring Brokers: Use your MyLREC Portal to View your Agents' License Status and Education Records

MYLREC PORTAL
UPDATE CONTACT INFORMATION
PRINT LICENSE
SUPERVISED LICENSES
EDUCATION TRANSCRIPT
LICENSE MAINTENANCE FORMS
FEE HISTORY
OUTSTANDING FEES
INSURANCE / BONDS
RENEW LICENSE

MyLREC Portal Sidebar.

Brokers who sponsor licensees or who are the qualifying broker for a company license should check the status of all licensees who are listed under their supervision to ensure that their licenses are in an operable status. If a license was not renewed or there is an issue with the license, the individual can not practice real estate. It is the broker's responsibility to ensure all individuals are properly licensed before any real estate activity is conducted.

For a quick and easy method of checking your sponsored licensees' statuses, log on to the MyLREC Portal for the sponsoring license (either personal broker or broker company) and click on "Supervised Licensees" in the sidebar. Here, you will find all licensees you or your company sponsor with a status description.

Licensees who have a status other than "Active" cannot practice real estate and should contact the Commission with any questions.

Brokers can also check their supervised licensees' education transcripts on the "Supervision Listing" screen to ensure their licensees are on track to complete their annual continuing education. This screen can be found under the "Supervised Licenses" tab in the broker or broker company's MyLREC Portal.

Change to Initial Exam Provider

The LREC has recently made a change to the vendor used to administer the state and national real estate examinations required of all new applicants. Pearson VUE is now handling testing for Louisiana real estate license applicants.

Once they reach the exam approval step in the application process, applicants will be contacted via email by Pearson VUE to schedule their exams. Applicants should not contact Pearson VUE to try and schedule an exam until they receive an email communication from Pearson VUE. The LREC recommends that applicants check their junk/spam folder if they do not receive an email from Pearson VUE within 48 hours of being notified by the Commission that they are approved to test.

Hours, locations, closures, and all other information regarding testing centers is made on a site-by-site basis. Please contact [Pearson VUE](#) for information related to scheduling requirements, test availability, cancellation and closure protocols, etc. Please note, the LREC does not maintain information regarding testing centers.

Education Corner



Continuing Education - Time is Running Out!

All active real estate licensees must complete 12 hours of approved continuing education coursework, including the LREC mandatory course topic, each year to be eligible to renew their license for the next year. Continuing education courses are available through LREC-certified real estate vendors.

The 2021 Mandatory Course Topic is ***Basics of Investment Property and Property Management***. This course should not be confused with similar courses of the same name. Be specific and request a 2021 mandatory course topic. There is no 2021 Broker Mandatory requirement. Brokers and salespersons must take the above-listed course and eight hours of Commission-approved electives.

In the year that their license is issued, an initial licensee will only be required to complete the mandatory course mentioned above. This does not relieve the licensee of the 45-hour post-licensing education requirement if it falls due within the year the license is issued.

2022 Mandatory Course Topics and Requirements

As part of the annual 12-hour continuing education requirement, all active licensees (sales and broker) are required to complete a four-hour course mandated by the Commission. For 2022, there are two options for satisfying this requirement. Licensees can complete with the mandatory course titled **2022 Mandatory Course Topic: 36 Ways to Lose Your License** or the commercial mandatory alternative course titled **Valuation: What Commercial Clients Need Their Agents to Know**

There is no broker-specific mandatory course requirement for 2022.

Your chosen mandatory course topic must be completed through an approved LREC-certified real estate vendor prior to license renewal as part of the 12-hour continuing education requirement.

This course should not be confused with similar courses of the same name. Be specific and request one of the 2022 mandatory course topics listed above. All active licensees must take one of the above-listed mandatory courses and eight hours of Commission-approved electives.

If you are a new licensee, please remember that completion of the 45-hour post-license curriculum does not relieve you from completing the mandatory course topic(s).

If you have any questions, please contact the LREC Education Division at education@lrec.gov.

Attention: New Licensees!

Complete your Post Licensing Education on Time

Per section 907 of the LREC Rules and Regulations, "All initial licensees shall complete 45 post-license hours within 180 days of the initial license date. The hours shall satisfy eight of the 12 continuing education hours required for annual renewal. The remaining four hours shall be in the annual mandatory topic designated by the Commission."

Some initial licensees believe or have been told that 180 days is equivalent to 6 months. Initial licensees need to be aware that it is strictly 180 days from the date the license was issued, not 6 months. If a licensee waits 6 months to complete the course, they will more than likely end up in the post licensing (P/L) audit.

In order to eliminate confusion, licensees may log in to their MyLREC Portal to check if they are required to take P/L education and, if so, when their exact due date falls.

Please note that P/L education cannot be completed prior to the issuance of a license. If you complete the P/L course before your license is issued, it is invalid and you will be included in the P/L audit and be required to retake the course.

Account Overview

Contact Name:	LREC TEST
Credential Number:	SALE.995683717-ACT
License Type:	Salesperson Active
License Status:	Active
First Issued Date:	05/12/2021
Effective Date:	05/12/2021
Expiration Date:	12/31/2021
Post Education:	REQUIRED
Post Education Due:	11/08/2021

Another issue that some applicants encounter is the mistake of believing that passing the exam means that they are licensees. There are many steps that must be completed prior to the issuance of a license. Again, the MyLREC Portal is a great resource to use to check your license status. A "License Status" of "Active" will show once a license has been issued.

Code of Ethics

Completion of a course in ethics is not a requirement for license renewal; rather, it is a requirement implemented by the REALTOR® organization for its membership. Questions regarding your fulfillment of this requirement must be addressed by your local board or Louisiana REALTORS®. The LREC does not track this course and cannot assist you with this information.

While the LREC may accept an ethics course toward the 12-hour continuing education requirement, it must be completed through a LREC certified vendor. Under no circumstance, however, will ethics fulfill the four-hour mandatory topic requirement.

Compliance Desk

The Regulatory Compliance Division issued 801 citations from August 24, 2021 through November 24, 2021. The list below outlines the specific violations cited:

RULE	VIOLATION	No.
LAC 46:LXVII.907(A)	Failure to complete required 12 hours of continuing education	793
LAC46:LXVII.2501(F)	Failure to identify listing broker in advertisement	1
LAC 46:LXVII.2509 (A)	Advertisements by franchise organizations	1
LAC 46:LXVII.2515	Improper Internet Advertising	1
LAC 46:LXVII.3907	Rejection of Offers and Counter Offers	2
LAC 46:LXVII.3101	Reporting Change of Address and/or Telephone Number	2
LAC 46:LXVII.705 (B)	Check returned for insufficient funds	1

Adjudication Report:

1. In April 2021, the Commission unanimously approved an emergency order suspending a Broker and her Brokerage in Baton Rouge, LA for alleged criminal activity, including but not limited to theft and improperly handling client funds. Subsequent to the emergency order, the Broker executed a consent order, accepting a formal censure and maintaining an indefinite suspension of her license and the Brokerage pending the final outcome of ongoing criminal proceedings. The Commission unanimously approved the consent order.
2. In May 2021, the Commission unanimously approved an emergency order suspending a Salesperson in Clinton, LA. Subsequent to the emergency order, the Salesperson executed a consent order, accepting a formal censure and a suspension of her license for the following: failing to account for money coming into her possession belonging to others; failing to properly disburse money which belongs to others upon its coming into her possession; commingling the money or other property of her principal(s) with her own; knowingly making false representations to any party in a real estate transaction; failing to place any deposit money or other funds entrusted to her by a person dealing with her as the representative of her licensed broker or in connection with any transaction involving the sale, lease, or management of real property, as soon as practicable, in the custody of her licensed broker; failing without just cause to surrender an instrument received by licensee in the course of a real estate transaction; engaging in an effort with the intent to deceive or defraud; and failing to notify the Commission within ten days of the institution of criminal prosecution by arrest or indictment the subject matter of which involves a real estate transaction in which she was acting as a licensee. The Commission unanimously approved the Consent Order.
3. In May 2021, a Salesperson in Mandeville, LA executed a consent order, accepting a formal censure and payment of a \$575.00 fine for the following: Felony convictions for resisting a police officer with force (La. R.S. 14:108.2); battery of a police officer (La. R.S. 14:34.2(B)(3)); and, failing to timely report the aforementioned felony convictions to the Commission (La. R.S. 37:1450). The Salesperson fully cooperated with the Commission's investigation, which

served as a mitigating factor in determination of the penalties imposed. The Commission unanimously approved the Consent Order.

4. In July 2021, a Salesperson in Hammond, LA executed a consent order, accepting a formal censure and payment of a \$1,575.00 fine for the following: Felony convictions for the attempted possession of a firearm or carrying concealed weapon by a person convicted of certain felonies (La. R.S. 14:95.1); possession of a Schedule II controlled dangerous substance (La. R.S. 40:967); and, failing to timely report the aforementioned felony convictions to the Commission (La. R.S. 37:1450). The Commission unanimously approved the Consent Order.
5. In July 2021, the Commission unanimously approved an emergency order indefinitely suspending a Broker and his Brokerage in Alexandria, LA for allegations of criminal activity, including but not limited to the following: Attempted armed robbery (La. R.S. 14:27 and 64); illegal carrying of weapons (La. R.S. 14:95); hate crime(s) – felony (La. R.S. 14:107.2); and aggravated assault with a firearm (La. R.S. 14:37.4). Subsequent to the emergency order, the Salesperson executed a consent order, accepting a formal censure and maintaining an indefinite suspension of his license and the Brokerage pending the final outcome of ongoing criminal proceedings.
6. In July 2021, the Commission unanimously approved an emergency order indefinitely suspending a Salesperson in Lafayette, LA for the following: Making false statements and / or providing false information to the Commission (La. R.S. 37:1437(B)); procuring a license by fraud, misrepresentation, or deceit (La. R.S. 37:1455(A)(31). On August 19, 2021, the Commission issued a subsequent order maintaining the emergency order as the Salesperson failed or refused to answer all lawful notices and / or appear for a hearing.
7. In August 2021, a Salesperson Applicant executed a consent order, accepting a formal censure and payment of a \$250.00 fine, for cheating on the license exam. Further, the consent order prohibited Applicant from reapplying until after November 10, 2021. The Commission unanimously approved the Consent Order.
8. In September 2021, a Salesperson in Benton, AR was indefinitely suspended pursuant to a court order for nonpayment of child support (La. R.S. 9:315.30 et seq).

Is Your Email Address Up to Date?

Pursuant to law, the LREC may send you notices or other communications via email only. Please make sure that you have an email address on file with the LREC that you check regularly to ensure that you receive important updates regarding your license and education.

You can easily check or update the email address you have on file in your MyLREC Portal. Here's how to do it:

- Visit your [MyLREC Portal](https://portal.lrec.gov/Home/Login) at <https://portal.lrec.gov/Home/Login>
- Once logged in, click "View" next to the license you want to check
- On the sidebar, choose "Update Contact Information"
- Click "Email Address"
- Edit, Add, Delete addresses on this menu

Please note that the email you mark as "Primary Email" will be used for important updates and alerts.

Home security cameras change how buyers, sellers approach showings

Editor's Note: The following article was written by Jeff Ostrowski for [Bankrate.com](https://www.bankrate.com)

Millions of homeowners have installed inexpensive home security cameras offered by companies such as Amazon, seller of Ring devices — but as their usage explodes, homebuyer beware.

In this era of constant surveillance, real estate agents say home shoppers should behave as if they're being spied on by sellers.

"It seems like everybody has cameras," says Janine Acquafredda, associate broker at RE/MAX Real Estate Professionals in Brooklyn, New York. "It's just become the norm. People have surveillance for nannies, for pets, for dog walkers. So I let buyers know there are probably cameras inside and outside the house."



Sellers also need to be careful. Each state imposes its own laws governing what homeowners can record, creating 50 different regulatory schemes around surveillance — and a potential legal minefield (although, to be realistic, the chances of being prosecuted for illegal recording are remote). Sellers who get too assertive with their security systems might also scare off buyers or alienate agents.

Electronic eyes, ears

In this new era — Big Brother on steroids, you might call it — snoopy home sellers have advanced home security systems that allow for real-time and delayed remote monitoring via audio and video, and sellers can watch activity outside and inside their homes. Some systems include motion detectors that can send the homeowner an alert when a buyer and Realtor are inside the home.

This technology means a seller can watch and listen to a buyer's conversation with their Realtor. This monitoring can be done with little more than a Wi-Fi-enabled camera and a computer logged into a web portal, or a smartphone with an app.

"Before, you played a tape. You could rewind it, and you could see people walking around and you could say, 'They didn't steal anything,'" says Leif Swanson, a Realtor with Realty One Group in Phoenix. "Now it's a different story because you have sound."

Buyers should behave as if they're being watched

For homebuyers, the new rules are stark: Maintain a poker face for the entirety of the home tour. Dole out honest insights as sparingly as Tom Brady in a post-game news conference.

"You should expect as a buyer that you are being watched," Acquafredda says. "Don't make any comments about what you like or don't like."

If you're too effusive in your praise of the kitchen or the bathrooms, for example, the seller might decide

to drive an even harder bargain. The current housing market is characterized by soaring home prices and limited supply, so a seller who thinks you love the place might press that advantage.

In a twist on the same theme, sellers have many bids to choose from, so if you slam the gaudy wallpaper or the moldy carpeting, you might offend a seller who has plenty of other offers on the table.

“If the seller can hear this feedback, they might not want to sell to you,” Acquafredda says. “Sellers are in a very strong position now. They can say, ‘I don’t like that they’re going to rent it out,’ or ‘I don’t like that they’re going to tear it down — this was our family home.’”

Realtors’ advice: Remain neutral while you’re inside the house and nearby. Modulate your physical reactions, and edit your spoken comments. Only later, after you’ve left the property, can you speak candidly about how much you love the kitchen counters or how much you hate the creepy basement.

For sellers, capturing video only is mostly OK

As a home seller with a surveillance system, there are complications for you, too. While some Realtors advise clients to disclose the presence of surveillance cameras, either in listing information or at the property, the legalities around surveillance remain murky, thanks to a state-by-state hodgepodge of laws.

In Minnesota and Wisconsin, for example, the basic rule of thumb is that video recording — without audio recording — is legally protected, say legal experts at Edina Realty, a Minnesota-based brokerage.

“For the most part, it is perfectly legal to have a camera taking video of what occurs within your home,” according to the brokerage’s website. “This is true even if the camera is capturing video of someone without their knowledge. One big caveat to that general rule is that you are not permitted to place a camera with the intention or likelihood of capturing a person taking their clothes off — for example, in a bathroom.”

The law is tighter around recording audio without the speaker’s consent. Some states require both parties in a conversation to agree to audio recordings — that’s the case in a dozen states, including California, Florida, Illinois, Michigan and Pennsylvania.

Other states require just one party to grant permission — and if you’re recording a tour while you’re not in the home, you’re not legally a party to the conversation.

Of course, it’s unlikely many sellers know the law, or their own systems, well enough to comply. However, sellers need not be paranoid — local police aren’t exactly rushing to arrest those who break this law. Recording audio in private without consent is technically a crime punishable by jail time, but Bankrate couldn’t find an instance of a homeowner being prosecuted for violating eavesdropping laws in the context of a home sale.

Housing discrimination, and common sense

Another potential minefield for sellers comes in the form of housing discrimination law.

The Fair Housing Act prohibits sellers from discriminating on the basis of race, color, creed, national origin, sex, family status or disability. That federal law took effect in 1968, long before the proliferation of cameras that gives sellers a view of buyers. With or without cameras in the home, it’s illegal for sellers

to turn away an offer or refuse to negotiate based on these protected classes.

Meanwhile, Acquafredda says sellers should use common sense when it comes to surveillance. Just as savvy sellers remove clutter and personal photos, it might be wise to limit the number of surveillance devices in your home.

“Don’t overdo it,” she says. “Being too intrusive is not a comfortable experience for a buyer. There’s a fine line between security and spying. If someone feels they’re being watched, they’re going to run in and run out. It’s creepy.”



2022 Mandatory Forms Available Now

The Louisiana Real Estate Commission has amended the Residential Agreement to Buy or Sell and the Residential Property Disclosure Form effective January 1, 2022. The amended forms and information about the areas of change can be found on the commission website at www.lrec.gov/forms/mandatory-forms/. Licensees may begin immediate use of the amended forms at their discretion; however, it is **required without exception beginning January 1**.

Changes to both forms were recommended by the Standardized Forms Committee, based on input from licensees, stakeholders, and Louisiana REALTORS®. The forms review is typically a biennial endeavor; however, industry trends, developments, and recommendations render this schedule subject to change. If you are interested in attending a forms review session, all committee meetings are open to the public and are included on the commission online calendar under Meetings and Events.

Check Your Documents

Paperwork for the LREC completed using an electronic signature software, i.e. DocuSign, HelloSign, etc., need to be saved and emailed as a file. Links sent to the LREC directly from the software program often do not provide the completed form or all the needed information.

Please save your completed/signed documents as a PDF or other easily-recognizable file type and check it for completion and inclusion of all necessary signatures before sending it to the LREC. Incomplete documents will result in processing delays.

LREC Holiday Office Closures

By order of Governor John Bel Edwards, the Louisiana Real Estate Commission Office will be closed on **Friday, December 24** and **Monday, December 27** for the Christmas holiday. We will also be closed on **Friday, December 31** in observance of the New Year holiday.



Follow us for updates

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